

9-135A068

HOGAN & HARTSON

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

COLUMBIA SQUARE

8300 GREENSBORO DRIVE

McLEAN, VIRGINIA 22102

703/848-2800

555 THIRTEENTH STREET NW

WASHINGTON, DC 20004-1109 No.

202/637-5600

PATRICK M. RAHER

DIRECT DIAL 202/637-5682

May 15, 1989

6701 ROCKLEDGE DRIVE

BETHESDA, MARYLAND 20817

301/493-0030

Date
Fee \$

ICC Washington, D. C.

By Hand

Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
12th Street & Constitution Avenue, N.W.
Washington, D.C. 20423

MAY 15 1989 -2 55 PM

INTERSTATE COMMERCE COMMISSION

Dear Ms. McGee:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) is one original executed copy and three photostatic copies of an Assignment and Assumption Agreement, dated as of May 3, 1989 between PLM Transportation Equipment Corporation, as Assignee and PLM Income Advantage Fund, as Assignor, which Assignment and Assumption Agreement is a secondary document as defined in the Commission's Rules for the Recordation of Documents. The primary document to which this is connected is recorded under Recordation No. 7928.

The names and addresses of the parties to the enclosed document are:

Assignor: PLM Income Advantage Fund
c/o PLM International, Inc.
655 Montgomery Street
Twelfth Floor
San Francisco, CA 94111

Assignee: PLM Transportation Equipment Corporation
c/o PLM International, Inc.
655 Montgomery Street
Twelfth Floor
San Francisco, CA 94111

A description of the railroad equipment covered by the enclosed document is set forth in Exhibit A to the Assignment and Assumption Agreement.

HOGAN & HARTSON

Ms. Noreta R. McGee

May 15, 1989

Page 2

Also enclosed is a check in the amount of \$13.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

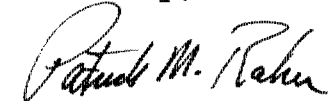
Kindly return the stamped original executed copy and two stamped photostatic copies of the enclosed document and a stamped photostatic copy of this letter to Patrick M. Raher, Hogan & Hartson, Columbia Square, 555 13th Street, N.W., Washington, D.C. 20004.

Following is a short summary of the enclosed document:

Assignment and Assumption Agreement,
dated as of May 3, 1989, between PLM
Transportation Equipment Corporation,
and PLM Income Advantage Fund, with
respect to the railroad equipment
described in Exhibit A thereto.

Please feel free to call me at the above address with any questions which you may have concerning the above.

Sincerely,


Patrick M. Raher

Enclosure

Interstate Commerce Commission
Washington, D.C. 20423

5.15.89

OFFICE OF THE SECRETARY

Patrick M. Rahe
Hogan & Hartson
Columbia Square
555 13th St. N.W.
Washington, D.C. 20004-1109

Dear: Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5.15.89 , at 2:55pm , and assigned recordation number(s). 16286-A & 7928-F

Sincerely yours,



Noreta R. McGee
Secretary

Enclosure(s)

RECORDATION NO. 7928 F
FILED 1423

MAY 15 1989 -2 55 PM

ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT
STATE COMMERCE COMMISSION

This Assignment and Assumption of Lease Agreement (the "Assignment") is made as of this 31 day of May, 1989, by and between PLM Transportation Equipment Corporation ("Assignee"), and PLM Income Advantage Fund ("Assignor").

WHEREAS, pursuant to an Assignment and Assumption of Lease Agreement dated as of December 30, 1988, Assignor acquired its ownership interest in 450 railcars, identified in Exhibit A hereto (the "Equipment"), and the lease of such Equipment under the Lease dated May 14, 1975 between The Detroit Edison Company (the "Lessee"), and the predecessor in interest to Assignor, as amended, (the "Lease Agreement");

AND WHEREAS, Assignor desires to assign to Assignee and Assignee desires to assume all of Assignor's right, title, interest, duties, obligations and liabilities in the Equipment and in the Lease Agreement with respect to the Equipment.

NOW, THEREFORE, the parties hereby warrant, represent, and agree as follows:

1. Assignor hereby irrevocably sells, assigns, transfers and conveys to Assignee and its successors and assigns, all of its right, title, interests, duties, obligations and liabilities in and to the Equipment and the Lease Agreement with respect to the Equipment, and all payments due and to become due thereunder (the "Interests").

2. Assignee hereby accepts the foregoing assignment of the Interests and agrees to assume and perform all the duties and obligations to be performed by Assignor under the Lease Agreement with respect to the Equipment to the same extent as if Assignee had been the original party thereto.

3. Assignee agrees to pay on demand to Assignor the sum of \$9,601,709 plus other Acquisition Expenses, as that term is defined in the Private Placement Memorandum of PLM Income Advantage Fund dated February 6, 1989, incurred with respect to the purchase of the Equipment, and the amount, if any, by which payment of interest on borrowings incurred to purchase the Equipment, plus operating expenses, exceeded rentals during Assignor's ownership of the Equipment.

4. Assignor warrants that the Lease Agreement and all related instruments are genuine and enforceable, all statements therein contained are true; the Equipment has been delivered to the Lessee in condition satisfactory to Lessee, and to date, Assignor has complied with all warranties and other obligations to the Lessee.

5. Assignor represents and warrants that it is the owner of all of the Interests, that the Interests are transferred free and clear of all security interests, liens and encumbrances, other than the Lease Agreement, and that the Equipment is in the same condition as when purchased by Assignor, ordinary wear and tear excepted. Assignor hereby agrees to indemnify and hold Assignee, and its successors and assigns, harmless from and against a breach of any of the foregoing representations, warranties, covenants and agreements and from and against any loss, liability or expense, including court costs and reasonable attorneys' fees, incurred by Assignee, and its successors and assigns, arising out of or incident to the operation or ownership of the Interests prior to the date hereof, or any state of facts that existed at or prior to the date hereof or arises hereafter by reason of operative facts existing at or prior to the date hereof.

(This space intentionally left blank.)

6. Except as modified herein, the Lease Agreement shall remain in full force and effect.

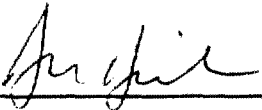
IN WITNESS WHEREOF, the parties have executed this document on the date set forth below:

PLM INCOME ADVANTAGE FUND
By: PLM Financial Services, Inc.,
its general partner

By: 

Its: VP

PLM TRANSPORTATION EQUIPMENT CORPORATION

By: 

Its: President

LEG-930Q

EXHIBIT A

Description of Railcars:

450 Pullman - standard 53'11"
100 ton all steel high side
fixed end gondolas, 4,000
cubic foot capacity

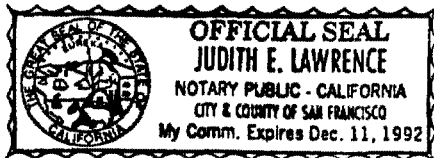
Road Numbers:

All DEEX

6106-6113	
6115-6134	
6136-6137	6430-6445
6139-6149	6447-6460
6151-6153	6462-6477
6155-6162	6479-6498
6164-6199	6500-6502
6201-6219	6504-6510
6221-6254	6512-6518
6256-6268	6520-6524
6270	
6272-6273	6527-6530
6276-6292	
6294-6297	6533-6545
6299-6302	
6305-6310	6547-6554
6312-6321	6556-6560
6323	6562-6565
6325-6340	6567-6574
6342-6358	6576-6582
6360-6366	6584-6593
6368-6374	8001-8007
6376-6393	
6395-6403	
6405-6427	

STATE OF CALIFORNIA)
) ss.
CITY AND COUNTY OF)
SAN FRANCISCO)

On this 9th day of May, 1989, before me, the undersigned Notary Public in and for said county and state, personally appeared Allen V. Hirsch and Stephen Pochos known to me to be the Executive Vice President of PLM Transportation Equipment Corporation and Vice President of PLM Financial Services, Inc., respectively, that executed the within instrument, and acknowledged to me that he executed the within instrument, and that he executed said instrument on behalf of said corporation.



Judith E. Lawrence
Notary Public

LEG-038Y